
AGENCY: Executive Director

SUBJECT: Last Step Recycling Ceiling Allocation Extension Request

On August 18, 2020, the State Fiscal Accountability Authority granted a tentative ceiling allocation for Last Step Recycling project in the amount of \$47,000,000 with an expiration date of November 16, 2020. Bond counsel for the transaction has indicated that the closing for the transaction is expected to take place in mid-November prior to Thanksgiving. However, bond counsel has indicated that flexibility in closing is needed due to potential volatile market conditions that could occur related to the COVID-19 global pandemic and the upcoming election.

In accord with S.C. Code of Laws Section 1-11-560(C), JEDA requests an extension of the volume cap allocation for Last Step Recycling through December 17, 2020, which is not more than 31 consecutive calendar days and which is a total of not more than 121 days from the date of the allocation.

AUTHORITY ACTION REQUESTED:

In accord with Code Section 1-11-560(C), JEDA's request for an extension of the volume cap allocation to Last Step Recycling, project in the amount of \$47,000,000 to December 17, 2020.

ATTACHMENTS:

JEDA Petition; Code Section 1-11-560(C)



Ray E. Jones

Partner

Telephone: 803.253.8917

Direct Fax: 803.255.8017

rayjones@parkerpoe.com

Atlanta, GA
Charleston, SC
Charlotte, NC
Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC
Washington, DC

September 3, 2020

Via Upload to Liquid Files

Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
SC State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

***Re: Not Exceeding \$47,000,000
South Carolina Jobs-Economic Development Authority
Economic Development Revenue Bonds
(Last Step Recycling Project) Series 2020
Revised***

Dear Delbert:

Please find enclosed for the State Fiscal Accountability Authority's ("SFAA") consideration at its October 13, 2020, meeting the following documents relating to a request pursuant to Article 3, Chapter 11 of Title 1 of the South Carolina Code of Laws, 1976, as amended ("Act"), for an allocation of State volume cap in the amount of \$47,000,000 for the above-referenced bonds ("Bonds"):

1. A completed Transmittal Form and Attachment A;
2. JEDA's Petition to the SFAA;
3. JEDA's Inducement Resolution and Inducement Agreement;
4. JEDA's Petition to the South Carolina Coordinating Council for Economic Development ("CCED");
5. CCED's Resolution approving the Bonds;
6. JEDA's Final Bond Resolution;
7. Private Participant Disclosures;
8. Tentative Ceiling Allocation Certificate; and
9. Letter from Harry A. Huntley, Executive Director of the South Carolina Jobs-Economic Development Authority ("JEDA").

The Bonds were approved by the JEDA on August 19, 2020, for the purpose of loaning the proceeds of the Bonds to the Borrower to acquire, design, construct, and equip an automobile shredder residue processing and recycling facility ("Facility") located in Chester County, South Carolina. The Facility is expected to result in a positive economic, job creation, and infrastructure impact to the State, as more particularly detailed in Attachment A to the transmittal form.

The SFAA previously approved a tentative volume cap allocation of \$47,000,000 for the Bonds. Per Section 1-11-560(b) of the Code of Laws of South Carolina 1976, as amended ("Code"), the allocation will automatically expire if the bonds for which the allocation was made are not issued within 90 consecutive calendar days from the date the allocation was made by the SFAA. Currently, the allocation expires on November 16, 2020.

The financing and Project teams are working towards an efficient issuance of the Bonds with an expected closing date of mid-November. Prior to closing in November, the underwriting team will take several weeks make marketing presentations to potential bond purchasers and acquire commitments to purchase the bonds from one or more investors. During this marketing process, potential bond purchasers expect for the bonds to have received all of the necessary governmental approvals, including a tentative allocation of volume cap.

Although the financing team hopes to close on the issuance of the Bonds prior to Thanksgiving, the COVID-19 global pandemic and upcoming presidential election could cause volatile market conditions which may affect the marketing timeline and subsequent closing. Due to potential market conditions and the expectation of potential investors that the Project have an available volume cap allocation, LSR, together with JEDA, requests an extension of the current allocation by an additional 31 days to allow additional flexibility for closing.

Thank you for your assistance. Please do not hesitate to contact me with any questions or if you should need additional information.

Sincerely,



Ray E. Jones

Enclosures: stated

cc: Harry Huntley, Executive Director
South Carolina Jobs-Economic Development Authority
(via email: hhuntley@scjeda.com)

Claudia Miller, Administrative Manager
South Carolina Jobs-Economic Development Authority
(via email: cmiller@scjeda.com)

BOND TRANSMITTAL FORM

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building (29201)
P.O. Box 12444
Columbia, SC 29211

DATE: 9/3/2020

Submitted for SFAA Meeting on:
10/13/2020

FROM: Click or tap here to enter text.

Parker Poe Adams & Bernstein LLP
1221 Main Street, Suite 1100
Columbia, South Carolina 29201

RE: NTE \$47,000,000 South Carolina Jobs-Economic Development Authority Solid Waste Disposal Revenue Bonds (Last Step Recycling Project) Series 2020 (Green Bonds)

Project Issue Date: 11/19/2020

Project Name: Last Step Recycling Project

Project Description: Auto Shredder Residue Facility. See attachment A for more detail.

Employment as a result of the project: 63 (direct) and 100 (indirect) within 12 months

	YES	NO	AMOUNT
Ceiling Allocation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$ 47,000,000
Refunding Involved	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ Click or tap here to enter text.
Project Approved Previously	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$ 47,000,000

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition
- B. ☐ Resolution or Ordinance
- C. ☒ Inducement Resolution or comparable preliminary approval
- D. ☐ Department of Health and Environmental Control Certificate *if required*
- E. ☐ State Fiscal Accountability Authority Resolution and Public Notice *(original)*
Plus _____ copies for certification and return to bond counsel
- F. ☐ Draft bond counsel opinion letter
- G. ☐ Processing Fee

Amount: \$ Click or tap here to enter text. **Check No:** Click or tap here to enter text.

Payor: Click or tap here to enter text.

- H. ☐ No Private Participant will be known at the time the Authority considers this agenda item.
- J. ☒ This agenda item is accompanied by the applicable Private Party Disclosure form for each private participant.

Bond Counsel: Parker Poe Adams & Bernstein, LLP
Typed Name of Bond Counsel

By: _



Signature

ATTACHMENT A TO TRANSMITTAL FORM

Last Step Recycling, LLC, a Georgia limited liability company ("Last Step"), intends to open an Automotive Shredder Residue ("ASR") receiving and processing facility ("Facility") in Chester County in South Carolina. The Facility will consist of an approximately 225,00 square foot warehouse, and will employ at least one shift of workers, with the potential to employ a second shift. The Facility will be designed to process ASR to recover metal (Copper, Aluminum, etc.) and other valuable material. This green initiative, in total, reduces the amount of material going to the landfill by over 25% and improves the environment.

Last Step will process the ASR and recover approximately 72 million pounds of metal per year. The various metallic products will sell at an average market price of \$0.93 per pound or \$67 million in sales per year. Last Step will also extract 15% rock and glass to return to the industry as aggregate.

In North America, approximately 40 million tons of scrap is shredded each year. Roughly 25% of the input is converted into ASR, which is then shipped to the landfill. For each ton of ASR taken to the landfill, a **fee** (roughly \$35 per ton) is paid to dispose of the ASR. Because of the incomplete recovery of the nonferrous metals by the shredder operators, the total value of the metal being lost to the land fill is staggering. North America produces 6.9 million tons of ASR each year that goes to landfills. As a result, we are losing 1.4 billion pounds of metal to the landfills per year.

Last Step will acquire up to 360,000 tons of ASR per year to process for metals and other sellable products. The shredder operators will be highly incentivized to send their waste to Last Step because it will lower their landfill cost by \$20 per ton, or approximately 57% on their waste bill.

STATE OF SOUTH CAROLINA)
)
 RICHLAND COUNTY)
)
 _____)
 TO THE STATE FISCAL)
)
 ACCOUNTABILITY AUTHORITY)
)
 OF SOUTH CAROLINA)

PETITION OF THE
 SOUTH CAROLINA JOBS-ECONOMIC
 DEVELOPMENT AUTHORITY

This Petition of the South Carolina Jobs-Economic Development Authority ("**Authority**"), pursuant to Title 1, Chapter 11 of the Code of Laws of South Carolina 1976, as amended ("**Act**"), and specifically Section 1-11-530 thereof, respectfully shows:

1. The Act, among other things, authorizes the State Fiscal Accountability Authority ("**SFAA**") to allocate the State of South Carolina's ("**State**") ceiling on the issuance of private activity bonds in response to authorized requests from issuing authorities.
2. Each State ceiling allocation made by the SFAA (unless eligible and approved for carry- forward election) is valid only for the calendar year in which the State ceiling allocation is made.
3. The Authority has agreed to assist Last Step Recycling, LLC and one or more of its related or affiliated entities by issuing one or more series of its Economic Development Revenue Bonds ("**Bonds**"), in an amount not to exceed \$47,000,000, taxable or tax exempt, to (i) finance a portion of the costs of acquisition, designing, constructing, and equipping a recycling facility ("**Facility**") in a yet to be determined county in South Carolina, all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility and potentially for periods thereafter, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "**Project**"). The Authority has petitioned the South Carolina Coordinating Council for Economic Development for approval of the Bonds at its meeting on June 4, 2020, pursuant to Section 41-43-110 of the Code of Laws of South Carolina 1976, as amended.
4. The Facility is expected to be a solid waste disposal facility as described under Section 142 of the Internal Revenue Code ("**Code**").
5. The Bonds to be issued for the Project would require an allocation of not exceeding \$47,000,000 of the State ceiling. The Bonds constitute all of the private activity bond financing contemplated for the Project as of the date of this Petition.

Upon the basis of the foregoing, the Authority respectfully prays that the SFAA (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable and (iii) approve a State ceiling allocation for the Bonds of \$47,000,000.

May 20, 2020



Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____

Harry A. Huntley, Executive Director

**THE SOUTH CAROLINA
JOBS-ECONOMIC DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND LAST STEP RECYCLING, LLC, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT TO EXCEED \$47,000,000 OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, AND AUTHORIZING APPLICATION UPON CERTAIN CONDITIONS TO THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF SUCH BONDS; AND OTHER RELATED MATTERS

WHEREAS, the South Carolina Jobs-Economic Development Authority ("**Authority**"), acting by and through its Board of Directors ("**Board**"), is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("**Act**"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("**State**") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State; and

WHEREAS, in order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues; and

WHEREAS, Last Step Recycling, LLC, and its related or affiliated entities (collectively, "**Borrower**"), has applied to the Authority to issue not to exceed \$47,000,000 of its Economic Development Revenue Bonds ("**Bonds**") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of acquisition, designing, constructing, and equipping a recycling facility ("**Facility**") in a to-be-determined county in South Carolina ("**County**"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "**Project**"), and the Authority wishes to induce the Borrower to undertake the Project; and

WHEREAS, it is in the public interest, for public benefit and in furtherance of the public purposes of the Authority, that its Board provide preliminary approval of the issuance of revenue bonds for the aforesaid purposes; and

WHEREAS, it is deemed advisable by the Authority to file with the South Carolina Coordinating Council for Economic Development ("**Coordinating Council**"), in compliance with Section 41-43-110 of the Act, a petition (described below) of the Authority requesting approval by the Coordinating Council for the issuance of the Bonds which are anticipated to be placed by B.C. Ziegler and Company in a limited offering to qualified institutional buyers and/or accredited investors; and

WHEREAS, it is deemed advisable by the Authority to file with the State Fiscal Accountability Authority ("**SFAA**"), in compliance with Section 1-11-530 of the Code of Laws of South Carolina 1976, as amended, a petition of the Authority requesting not exceeding \$47,000,000 of the State ceiling be allocated by the SFAA to the Bonds and that such allocation be approved for a carry-forward election.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

Section 1. It is hereby found, determined, and declared as follows:

- (a) The Borrower is a responsible party and the proposed Project is located in the County.
- (b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 50 people within 12 months and 100 people within 24 months, and (B) direct employment for 37 people within 12 months and 63 people within 24 months, which employees will be from the County and surrounding areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.
- (c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.
- (d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 2. Subject to such approval by the Coordinating Council, the Board preliminarily approves the issuance and sale of the Bonds for the purpose of providing funds to be loaned to the Borrower to finance the Project and the related items as described in the recitals, above.

Section 3. The issuance and sale of the Bonds shall be upon such terms and conditions as may be mutually agreed upon by the Authority, the Borrower and the purchasers of the Bonds, and shall be subject to completion of proceedings for issuance, sale and delivery of the Bonds satisfactory to the Authority. The provisions, terms, and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity, and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper (taking into account such factors as the type of program involved, the principal amount of the Bonds, and the number and type of jobs involved), and the public interest shall be adequately protected by the terms thereof.

Section 4. The Executive Director is hereby authorized and directed to execute the Inducement Agreement in the form attached hereto as Exhibit A (with such changes as shall have been approved by counsel to the Authority), in the name and on behalf of the Authority and to affix the seal of the Authority and to attest the same, and the Executive Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Borrower.

Section 5. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

Section 6. The Bonds shall never constitute an indebtedness of the Authority or the State within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Authority or the State or a charge against the general credit of the Authority or the State or the taxing powers of the State.

Section 7. There shall be and is hereby authorized and directed the submission on behalf of the Authority, of (i) a petition requesting approval by the Coordinating Council (pursuant to the provisions of Section 41-43-110 of the Act) of the issuance of the Bonds which are anticipated to be placed by B.C. Ziegler and Company in a limited offering to qualified institutional buyers and/or accredited investors, and (ii) a petition requesting the SFAA allocate not exceeding \$47,000,000 of the State ceiling to the Bonds and that the SFAA make a carry-forward election with respect to such allocation.

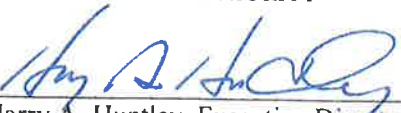
Section 8. The Executive Director shall be and is hereby authorized and directed to execute the petitions in the name and on behalf of the Authority, and to affix the seal of the Authority to the petitions, upon the conditions set forth hereinabove, to submit an executed copy of this resolution to the Coordinating Council and the SFAA.

Section 9. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

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Passed and approved: **May 20, 2020**

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



Harry A. Huntley, Executive Director

INDUCEMENT AGREEMENT

THIS INDUCEMENT AGREEMENT made and entered into by and between **SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY**, a public body corporate and politic and an agency and duly constituted authority of the State of South Carolina ("**Authority**"), and **LAST STEP RECYCLING, LLC**, a North Carolina limited liability company, and its related entities (collectively, "**Borrower**").

WITNESSETH

ARTICLE I RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority, acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("**Act**"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("**State**") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State.

Section 1.02. In order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues.

Section 1.03. The Borrower has applied to the Authority to issue not to exceed \$47,000,000 of its Economic Development Revenue Bonds ("**Bonds**") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of acquisition, designing, constructing, and equipping a recycling facility ("**Facility**") in a to-be-determined county in South Carolina ("**County**"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "**Project**"), and the Authority wishes to induce the Borrower to undertake the Project.

Section 1.04. (a) The Borrower is a responsible party and the Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 50 people within 12 months and 100 people within 24 months, and (B) direct employment for 37 people within 12 months and 63 people within 24 months, which employees will be from the County and surrounding areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 1.05. The Authority has given due consideration to all the proposals and requests of the Borrower and has agreed to endeavor to effect the issuance of the Bonds at the time and on the terms and conditions hereafter set forth.

ARTICLE II UNDERTAKING ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*"), and subject to the limitations set forth herein, authorize the issuance of the Bonds, at such time as the Borrower may request the Authority to do so.

Section 2.02. The Authority will permit the Borrower to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid, and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under the Act, including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project, including land, buildings, equipment, and other items permitted by the Act, the repayment of any funds, advances or loans incurred by the Borrower for such purposes, the creation of a debt service reserve fund, and the provision of funds for capitalized interest.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Borrower and a security agreement with the trustee (to be requested by the Borrower and approved by the Authority and the State Treasurer) or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina revenue bonds and shall constitute a lien on the revenues derived from the Borrower with respect to the Project to secure the payment of the Bonds. Provisions, terms and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, and other details of any loan agreement relating to the Bonds, shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper, taking into account such facts as type of program involved, the principal amount of the Bonds and the number and type of jobs involved, and the public interest shall be adequately protected by the terms thereof.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required faithfully to implement its undertaking and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware and upon the Borrower

providing the Authority with such further evidence as may be satisfactory to the Authority as to compliance with all applicable laws, statutes and regulations.

ARTICLE III UNDERTAKINGS ON THE PART OF THE BORROWER

Section 3.01. The Borrower agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Borrower further agrees, if the issuance of the Bonds proceeds as contemplated, as follows:

- (a) to acquire the Project;
- (b) to enter into a loan agreement with the Authority, under the terms of which the Borrower will obligate itself to pay to the Authority sums sufficient to pay the principal of and interest and premium, if any, on the Bonds, as and when the same become due and payable;
- (c) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;
- (d) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and
- (e) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and furnishings and initially to operate the Project in the manner described in Section 1.03 hereof.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement shall constitute nor give rise to a pecuniary liability of the Authority or a charge against its general credit.

Section 4.02. The parties hereto agree that the Borrower may proceed with the Project, including the acquisition of real property, or leasehold interests therein, the construction of a building or buildings and additions to a building or buildings, and the acquisition and installation of the equipment and furnishings, prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Borrower hereunder are subject to the condition that the Authority and the Borrower do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Borrower or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

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Dated: May 20, 2020

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: 
Harry A. Huntley, Executive Director

LAST STEP RECYCLING, LLC

By: _____

Name: _____

Title: Authorized Representative

Dated: May 20, 2020

INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY AND LAST STEP RECYCLING, LLC
[SIGNATURE PAGE]

STATE OF SOUTH CAROLINA)
)
RICHLAND COUNTY)
_____))
TO THE SOUTH CAROLINA)
)
COORDINATING COUNCIL)
)
FOR ECONOMIC DEVELOPMENT)

PETITION OF THE
SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY

This Petition of the South Carolina Jobs-Economic Development Authority ("**Authority**"), pursuant to Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("**Act**"), and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("**State**") and for other purposes described in the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; (ii) act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in the State; and (iii) subject to the approval of the Coordinating Council of the issuance of its bonds pursuant to Section 41-43-110 of the Act, to issue revenue bonds in order to provide funds for any program authorized by the Act, and to secure the payment of such bonds, all as provided in the Act.

2. The Authority has agreed to assist Last Step Recycling, LLC ("**Borrower**") by issuing one or more series of its Economic Development Revenue Bonds ("**Bonds**") to (i) finance a portion of the costs of acquisition, designing, constructing, and equipping a recycling facility ("**Facility**") in a to-be-determined county in South Carolina ("**County**"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "**Project**").

3. The Authority has been advised by the Borrower that the estimated cost of the Project and related costs will be approximately \$[] and the Borrower has requested the Authority to execute and deliver the Bonds in one or more series, taxable or tax-exempt, in the aggregate principal amount of not exceeding \$47,000,000 to defray such costs.

4. The Bonds are anticipated to be placed by B.C. Ziegler and Company in a limited offering to qualified institutional buyers and/or accredited investors, which arrangement the Authority has determined to be most advantageous.

5. The Authority hereby finds that: `

(a) The Borrower is a responsible party and the Project is located in the County.

(b) It is anticipated that the Project will benefit the general public welfare of the State, and the County in particular, by providing for (i) the creation of (A) indirect employment of approximately 50 people within 12 months and 100 people within 24 months, and (B) direct employment for 37 people within 12 months and 63 people within 24 months, which employees will be from the County and surrounding areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

(d) The principal amount of the Bonds bears a reasonable relationship to the amount of funds of the Borrower committed to the Project.

6. Prior to issuance of the Bonds, the Authority will, as part of its proceedings:

(a) Hold a public hearing in connection with the Project and provide notice of the public hearing to the local governing body of the County;

(b) Make findings that the terms of the agreements to be entered into in connection with the Project are reasonable and proper as to the adequacy of protection for the public interest provided by such terms;

(c) Negotiate the terms of such agreements to the extent necessary to conclude that neither the financing of the Project, the Bonds proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State or a charge against the general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the Project;

(d) Undertake such review as is necessary to conclude that the Borrower is an organization with established credit and is a responsible party; and

(e) Undertake such review as is necessary to conclude that the issuance of the Bonds by the Authority in the final principal amount requested by the Borrower will be required to defray the cost of financing the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

[SIGNATURE PAGE FOLLOWS]
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Upon the basis of the foregoing, the Authority respectfully prays that the Coordinating Council (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, and (iii) approve the issuance of the Bonds by the Authority through a limited offering pursuant to the Act to defray the costs of financing the Project (including changes in any details of said financing as finally consummated which do not materially affect the undertaking of the Authority).

May 20, 2020

Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



By: _____

Harry A. Huntley, Executive Director

A RESOLUTION OF THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$47,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED

WHEREAS, the South Carolina Jobs-Economic Development Authority ("**Authority**") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("**Act**"), petitioned the South Carolina Coordinating Council for Economic Development ("**Coordinating Council**") for approval of the issuance by the Authority of its Economic Development Revenue Bonds in the aggregate principal amount of not exceeding \$47,000,000 ("**Bonds**") through a limited offering, as the Authority may determine to be most advantageous, in order to make a loan to Last Step Recycling, LLC ("**Borrower**"), for the purposes described in the Authority's petition; and

WHEREAS, the Authority represents to the Coordinating Council that the Bonds will be sold in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Coordinating Council as follows:

Section 1. It is hereby found, determined and declared by the Coordinating Council that: the Petition filed by the Authority contains all matters required by law and the rules of the Coordinating Council to be set forth therein, and that in consequence thereof the jurisdiction of the Coordinating Council has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

Passed and approved this 20th day of June 2020.



Alan Daniel Young, Executive Director
South Carolina Coordinating Council for
Economic Development

SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY

A BOND RESOLUTION

AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF NOT EXCEEDING \$47,000,000 SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY SOLID WASTE DISPOSAL REVENUE BONDS TO BE ISSUED IN ONE OR MORE SERIES PURSUANT TO TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AUTHORIZING THE LOAN OF THE PROCEEDS OF THE BONDS TO LAST STEP RECYCLING, LLC OR ONE OR MORE OF ITS PREDECESSORS, AFFILIATES OR RELATED ENTITIES; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY BY THE AUTHORITY OF ALL INSTRUMENTS, AGREEMENTS, DOCUMENTS, AND CERTIFICATES NECESSARY TO ACCOMPLISH THE FOREGOING; AND AUTHORIZING THE TAKING OF ANY OTHER ACTION NECESSARY RELATING TO ANY OF THE FOREGOING.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED:

ARTICLE I FINDINGS OF FACT

Incident to the adoption of this Resolution, the Board of Directors ("**Board**") of the South Carolina Jobs-Economic Development Authority ("**Authority**") makes the following findings of facts:

Section 1.1 The Authority, acting through its Board, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended ("**Act**") to utilize any of its program funds to establish loan programs to reduce the costs of capital to qualified business enterprises and for other purposes described in Section 41-43-160 of the Act and, thus, provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina ("**State**"), and act in conjunction with other persons or organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in the State.

Section 1.2 The Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues in order to provide funds for any program authorized by the Act. Section 41-43-110 of the Act further provides that the bonds issued by the Authority are limited obligations of the Authority payable solely from a revenue producing source or from a special source which does not include revenues from any tax or license and that such bonds do not constitute an indebtedness of the State or the Authority within the meaning of any State constitutional provision or statutory limitation.

Section 1.3 Last Step Recycling, LLC, a Georgia limited liability company, and any one or more of its predecessors, affiliates or related entities (collectively, the "**Borrower**") applied to the Authority to issue not exceeding \$47,000,000 of the Authority's economic development revenue bonds (the "**Bonds**") in one or more series, taxable or tax-exempt, for the purposes hereinafter described. The proceeds from the sale of the Bonds will be loaned by the Authority to the Borrower (i) to finance all or a portion the cost of the acquisition, construction, equipping and installation of an automotive shredder residue processing and recycling facility and related facilities (collectively, the "**Facility**") in the Chester County, South Carolina (the "**County**"), (ii) to fund interest on all or a portion of the Bonds, (iii) to fund a debt service reserve fund

for all or a portion of the Bonds and (iv) to pay certain fees and expenses incurred in connection with the issuance of the Bonds (all of the foregoing, collectively, the “**Project**”); and

Section 1.4 Pursuant to the authorizations of the Act, the Authority has heretofore agreed to assist the Borrower through the issuance and delivery of not exceeding the aggregate principal amount of \$47,000,000 of the Authority’s Bonds in one or more series, taxable or tax-exempt.

Section 1.5 The cost of the acquisition, construction, equipping and installation of the portion of the Facility to be financed with the proceeds of the Bonds (as well as of the additional items described within the definition of “Project” above) will not exceed \$47,000,000. The Borrower has now requested that the Authority proceed with the issuance of the Bonds pursuant to the Act.

Section 1.6 The Board authorized a petition (“**Petition**”) to the South Carolina Coordinating Council for Economic Development (“**Coordinating Council**”) on May 20, 2020, and the Coordinating Council approved the issuance of the Bonds as required by the Act at the Coordinating Council’s meeting on June 20, 2020. The Board adopts this Resolution for the purposes of (a) providing for the issuance, sale and delivery of the Bonds; (b) authorizing the preparation, execution, distribution, and use of a preliminary (if applicable) and private placement memorandum, limited offering memorandum and/or one or more other offering documents (collectively, the “**Private Placement Memorandum**”) in connection with the offering of the Bonds; and (c) authorizing the preparation, execution and delivery of (i) a bond placement agreement (the “**Placement Agreement**”) among the Authority, the Borrower and a bank or financial institution acting as a bond placement agent (the “**Placement Agent**”), which is anticipated to be B.C. Ziegler and Company, (ii) a bond trust indenture (the “**Indenture**”) between the Authority and a bank or financial institution to be named trustee (the “**Trustee**”), which is anticipated to be U.S. Bank National Association, that will prescribe the terms and conditions under which the Bonds will be issued and the security therefor, (iii) a loan agreement (the “**Loan Agreement**”) between the Authority and the Borrower, which will provide for a loan of the proceeds of the Bonds by the Authority to the Borrower, the repayment of such loan by the Borrower, the payment by the Borrower of all expenses of operating and maintaining the Project in good repair, keeping the Project properly insured, and the payment of all taxes, assessments, and other charges levied or assessed against or with respect to the Project, (iv) one or more tax certificates or agreements (collectively, “**Tax Certificates**”) by the Authority, the Borrower and/or certain other parties as may be deemed necessary or appropriate by the Authority and the Borrower to ensure that the interest on any series of tax-exempt Bonds is and remains excluded from the gross income of the owners of such Bonds for federal income taxation purposes; (v) arrangements providing for additional security for amounts payable by the Borrower under the Loan Agreement, which may include (among other things) one or more (A) mortgages providing for a lien on the Facility, (B) security agreements providing for a security interest in various assets and properties of the Borrower, (C) collateral assignments of various contracts (such as construction and offtake agreements), plans, permits and other items, and (D) depository and control agreements regarding the collection and application of revenues from the operations of the Facility, and (vi) all other instruments, documents, agreements, amendments, and certificates necessary to accomplish the purposes of the foregoing (all instruments, documents, agreements, amendments, and certificates the preparation, execution and delivery of which by the Authority is herein authorized (including but not limited to the Placement Agreement, Indenture, Loan Agreement and Tax Certificates mentioned above), whether described in this Section or not, are referred to collectively as the “**Authority Documents**”). In the anticipation that the Bonds will be sold in multiple series, tax-exempt and taxable, the Private Placement Memorandum, Placement Agreement, Indenture and Loan Agreement and other Authority Documents may (but need not be) constituted in multiple versions to accommodate the respective particulars of such multiple series.

Section 1.7 The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of the Bonds will result in (a) the creation of direct employment for approximately

63 people at the Facility within 24 months, which employees will be from the County and adjacent areas, and (b) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally. The number of jobs and other public benefit resulting from the assistance authorized herein described bears a reasonable relationship to the principal amount of the Bonds.

Section 1.8 (a) The Borrower is a responsible party; (b) the amount of program funds committed bears a reasonable relationship to the amount of private funds committed to the Project; and (c) the issuance of Bonds in a principal amount of not exceeding \$47,000,000 is required to fund and undertake the Project.

Section 1.9 The size and scope of the Project are such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result from the Project being financed with the proceeds of the Bonds.

Section 1.10 The Authority has duly noticed a public hearing with respect to the Project and the Bonds which was held by the Authority on August 6, 2020.

Section 1.11 The public interest will be adequately protected by the terms of the Authority Documents.

Section 1.12 The Bonds will be limited obligations of the Authority and do not constitute an indebtedness of the State or the Authority within the meaning of any constitutional provision or statutory limitation (other than Article X, Section 13(9) of the State Constitution permitting indebtedness payable from a source other than revenues derived from a tax or license) and do not give rise to any pecuniary liability of the State or the Authority or a charge against the general credit of the State or the Authority or taxing powers of the State, and these facts shall be plainly stated on the face of each Bond. The Authority does not have taxing power.

ARTICLE II LOAN PROVISIONS; EXECUTION OF THE AUTHORITY DOCUMENTS

Section 2.1 In order to promote and develop the business and economic welfare of the State, encourage and assist in the location of new business enterprises in the State, and in the rehabilitation and assistance of existing business enterprises, and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State, and to otherwise accomplish the purposes of the Act by assisting the Borrower with financing the Project, the making of one or more loans pursuant to the terms of the Loan Agreement to be utilized by the Borrower for the acquisition and undertaking of the Project, are hereby authorized, ratified, and approved.

Section 2.2 The preparation, execution and delivery on behalf of the Authority of the Authority Documents and such other instruments, documents, agreements, amendments, and certificates as the Chairman of the Board and the Executive Director of the Authority, or either of them acting alone (each, an “*Authorized Representative*”), with advice of counsel, deems reasonably necessary or advisable to accomplish the purposes of this Resolution and the issuance and the sale of the Bonds are hereby authorized and directed; provided that (a) the provisions, terms, and conditions of the Authority Documents will be reasonable and proper, taking into account such factors as the type of program involved, the amount of the Bonds, and the number and type of jobs involved, and (b) the Authority Documents will be consistent with documents previously entered into by the Authority in connection with a sale of its economic development revenue bonds in the manner contemplated herein (including without limitation such sale and resale restrictions as contemplated by Section 4.1 below). Such Authority Documents and other instruments,

documents, agreements, amendments, and certificates shall be prepared, delivered and executed on behalf of the Authority by an Authorized Representative (which execution shall be evidence of his approval of the forms of documents described in the previous sentence) following receipt of advice of counsel.

ARTICLE III ISSUANCE OF THE BONDS

Section 3.1 The Bonds shall be designated “South Carolina Jobs-Economic Development Authority Solid Waste Disposal Revenue Bonds (Last Step Recycling Project)” with such additional or alternate designation or description to indicate their purpose and tax status or, if the Bonds are issued in two or more series, they shall bear such additional or different designations as are necessary to differentiate the two series, and shall be in such amounts for such series, subject to aggregate maximum set forth below, as approved by the Authorized Representative (his or their execution of the Bonds to be conclusive evidence of such approval). Based on the Borrower’s representations regarding the intended use of the proceeds of the Bonds to finance an environmentally beneficial Facility, as further to be described in the Private Placement Memorandum, each Authorized Representative is authorized in its discretion to designate one or more series of the Bonds as “Green Bonds.”

Section 3.2 Each Authorized Representative is authorized to execute the Bonds and affix the seal of the Authority. Upon the execution and delivery of the Authority Documents, the Bonds in the principal amount of not exceeding \$47,000,000 shall be issued and the proceeds thereof expended in the manner provided by the Authority Documents in order to defray the cost of the acquisition, construction, equipping and installation of the Project and to pay certain costs and expenses and establish certain funds related to the issuance of the Bonds. The Bonds shall be in such series and principal amounts, be dated, mature, bear interest, be subject to redemption, be secured and have such other terms as shall be approved by the Authorized Representative (his or their execution of the Bonds to be conclusive evidence of such approval), provided that the principal amount thereof shall not exceed \$47,000,000.

Section 3.3 The Bonds shall be in the form substantially as set forth in the exhibits to the Indenture and otherwise therein and shall be executed on behalf of the Authority in the manner provided in the Indenture, and prior to delivery, shall be authenticated by the Trustee as prescribed in the Indenture.

ARTICLE IV SALE OF THE BONDS

Section 4.1 The sale of the Bonds, which is expected to be in whole or in part by a negotiated private placement by the Placement Agent for resale only to qualified institutional buyers, and accredited investors in accordance with the terms of the Placement Agreement and Indenture (provided that the Bonds may cease to be subject to resale restrictions upon satisfaction of such Bond debt rating thresholds and/or other conditions, or subject to such other provisions, to be set forth in the Indenture as approved and executed by an Authorized Representative on the advice of counsel), but in any case on such terms as the Borrower and the Authority, as approved by an Authorized Representative on the advice of counsel, may determine and agree, is hereby approved, and each Authorized Representative is fully authorized and empowered to take such further action and to prepare, execute and deliver the Placement Agreement and such instruments, agreements, amendments, documents, and certificates as may be necessary and proper to effect the sale of the Bonds in a manner determined by such Authorized Representative to be reasonable and advisable, based on the representations of the Borrower and consistent with the provisions of this Resolution, and the action of such Authorized Representative in executing and delivering such instruments, agreements, amendments documents, and certificates in such form as the Authorized Representative shall approve is hereby authorized. The preparation, execution and delivery of the Private Placement Memorandum, in such form as the Authorized Representative shall approve (his or their execution to be

conclusive evidence of such approval), if executed by the Authority, are hereby authorized and its distribution and use in the sale of Bonds, are hereby approved and ratified. Each Authorized Representative is hereby authorized and directed to execute and deliver the Private Placement Memorandum with any additional or modified information as the Authorized Representative, with advice of counsel, deems reasonable or advisable for the purposes thereof, the execution (if executed) being conclusive evidence of approval.

ARTICLE V DISPOSITION OF BOND PROCEEDS

Section 5.1 When received, the proceeds of the Bonds shall be disbursed in accordance with the terms and provisions of the Authority Documents, and not otherwise.

ARTICLE VI MISCELLANEOUS

Section 6.1 No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Authority contained in this Resolution, the Authority Documents or the Bonds, against any Director of the Authority, or any officer, or employee, agent or attorney of the Authority, in his or her individual capacity, past, present, or future, either directly or through the Authority, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Resolution and the Bonds are solely corporate or entity obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any director, officer, employee, agent, or attorney of the Authority, past, present or future, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the Authority and the Trustee or the bondholders or to be implied therefrom as being supplemental hereto or thereto; and that all personal liability of that character against every director, officer, employee, agent, or attorney is, by the adoption of this Resolution and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Resolution and the execution of the Bonds, expressly waived and released. The immunity of directors, officers, employees, agents, or attorney of the Authority under the provisions contained in this Section 6.1 shall survive the termination of the Authority Documents.

Section 6.2 This Resolution shall be construed and interpreted in accordance with the laws of the State.

Section 6.3 This Resolution shall become effective immediately upon its adoption by the Board.

Section 6.4 The provisions of this Resolution are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, the declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 6.5 All orders, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

[Signature page follows]

Passed and approved this 19th day of August, 2020.

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



By: _____


Harry A. Huntley
Executive Director

*[Signature page to Bond Resolution
Last Step Recycling Project]*

SECTION 1-11-560. Time limits on allocations.

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

SECTION 1-11-570. Budget and Control Board to adopt policies and procedures.

The Budget and Control Board, after review and comment by the committee, may adopt the policies and procedures it considers necessary for the equitable and effective administration of Sections 1-11-500 through 1-11-570.

SECTION 1-11-580. Budget and Control Board to make quarterly payments on certain insurance contracts.

The Budget and Control Board shall make quarterly payments on insurance contracts where the annual premium exceeds fifty thousand dollars. The board shall undertake necessary negotiations to implement this requirement. Where fees may be incurred for quarterly rather than annual payments, the Budget and Control Board shall determine whether the investment income opportunity is greater or less than proposed fees and shall make the decision which best benefits South Carolina.